GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:774
ANSWERED ON:22.11.2001
SUBSIDY ON KEROSENE AND LPG
GORDHANBHAI JAVIA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether subsidy on Kerosene and LPG is proposed to be withdrawn by the end of the current year;

(b) if so, the reasons therefor; and

(c) the impact on the general consumers particularly on people below middle class?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): The subsidy on Kerosene for public distribution and domestic LPG is not proposed to be withdrawn by the end of the current year. However, the Government decisions of November 1997 on the phased dismantling of the administered pricing mechanism (APM) envisage the subsidy on kerosene for public distribution and domestic LPGto reach at level of 33.33% and 15% of the import parity respectively effective 1.4.2002 to be met from the fiscal budget of the Government.

(c): In view of (a) & (b) above, does not arise.